Protectionist Measures by Western Governments Affecting India's Exports

1436. SHRI ASHOK MITRA: Will the Minister of COMMERCE be pleased to state:

(a) the factors contributing to the country's disappointing export performance in the recent period;

(b) whether protectionist measures adopted by the Western Governments have been one such contributory factor; and

(c) the steps Government have undertaken or propose to undertake to protect the nation's interest in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) Export performance is influenced inter alia by international market conditions, export competitiveness of domestic industry, supporting infrastructure, policy framework, etc. In the recent past, slow down in India's exports is reportedly caused by a deceleration in the global trade, its growth rate falling from 19% in 1995 to 4% in 1996 as reported by WTO, tariff & non-tariff barriers imposed by major trading partners, cost of credit, infrastructural inadequacies etc.

(b) and (c) Protectionist measures adopted by some Western Countries particularly non-tariff barriers are posing hurdles to our exports. Government has identified a number of such barriers, which include textile quotas, anti-dumping and countervailing duties, strict standards relating to health and environment etc. Most of these protectionist measures are consistent which the relevant GATT/WTO provisions. Nevertheless, the non-tariff barriers identified are being taken up bilaterally with our-trading partners to ensure that market access of Indian exporters is not unreasonably hindered.

Export of Tea to Russia

1437. SHRI BHAGABAN MAJHI: Will the Minister of COMMERCE be pleased to state:

(a) the countries to which India is exporting tea;

(b) whether the export of tea to Russia has declined during the last three years;

(c) if so, the reasons therefor; and

(d) the steps taken to remove bottleneck and to increase the export of tea to that country?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULI RAMAIAH): (a) Indian tea is exported to almost all importing countries of the world. Major importers of Indian tea are Russia and CIS countries, U.K., Germany, Poland, U.A.E., Iran, Arab republic of Egypt, Japan, Saudi Arabia etc.

(b) Export of tea to Russia have shown fluctuations during the last three years as indicated below:—

(Qty. Mn. kg.)
(Value Rs. crore)

Years	Exports	
	Qty.	Value
1994-95	41.06	271.94
1995-96	66.18	443.08
1996-97	42.03	297.16

Source: Tea Board

(c) A major reason for the decline in exports to Russia has been problems relating to delayed allocation of funds under the debt repayment mechanism.

(d) Steps being taken to increase tea exports to Russia, include introduction of (i) support for marketing of pure India Tea Brand launched by Tea Exporters' Consortium; (ii) proposal to allow export of tea to Russia on consignment basis etc.